G R S App F IX 4]

194

Mul File No 26-43

Previous References

Serial Nos 3 & 1

DCP 384 of 41-42

Later References

GENERAL AND REVENUE SECRETARIAT

Serial Nos

Part B for Nov 4

SUBJECT

Audit objection against certain ~~expenditure~~ the Narkanahatti Munsif Mul. Ct. in connection with the embezzlement of Mul funds by the Mul clerk

The D C Shantaldrug Divn
The Comptroller to Govt.
No L 5-403-4 dt 28-11-43
communicating the audit objection

3 From the Dy Comptr, Clerks Dr
Letter No ACC 9/42-43 dt 26-9-43
Requests that the reasons given by the President of the Vaikam Mcly for certain objections raised by the Audit for the years 1939-40 & 1940-41 may be accepted and the objections of the Comptroller waived

Eight points have been noted in the Audit and the President has replied to all of them categorically and further action to correct the irregularities has been taken. The chief among them is the embezzlement of municipal money to the extent of Rs 166-15-0 by the Mcl clerk Krishna Murthi. The entire amount is stated to have been recovered and the clerk dismissed.

The file may perhaps be referred to the Comptroller and his remarks obtained if any on these points

HWS 12-10-43 JNR

3 Forwarded with Compliments to the Comptroller to the Govt by myself for favour of remarks on the proposals made above

Sd/- [illegible]
16 x 43 Asst Secy

CLAD 364/Spl
C 117/43-44
dt 16/10/43
dt 16/10
No 54 CLAD dt 16/10/43

354/SPC/6 11 43

U O No 183/CLAD dated 2-11-43

Returned with compliments

In the light of the replies furnished by the President Naikanahalli Municipality and the circumstances stated by the Deputy Commissioner Chitaldrug District, the objections including that relating to the loss of Receipt Book No 2191 may be waived as a special case, The loss of a receipt book is a serious irregularity and should not have been allowed to occur

M Shamanna
Comptroller

CV/

SECY LAW DEPT 4236 13 GOVT OF MYSORE

If the opinion of the Compounder will be accepted Orders - issued accordingly in order

Law dept 4/11/43

Orders may issue accepting the views of the Comptroller

5-11-43

OFFICE OF THE MINISTER FOR L S G & P H Date 5.11.43 No 2791

14 11 63

Draft for signature

DFC for Govt for appl

16/11/43

TYPING SECTION 18 NOV 1943 GEN ASSTT

WD 01809—GPB—60 000—26 1 43

To Hd Dr Clerk Dr & Comptroller 17/11/43

Govt No L2503-4 & 28 N 43.

Waives the objection with other observations

C F No 451

ML 24-43-3 2071 2011

GOVERNMENT OF MYSORE

Tele gram / phone

OFFICE OF 28 SEP 1943

No A C C 9/42-43
Encls Three

The Deputy Commissioner
Chitaldrug District,
Chitaldrug

Date 26th September, 1943

SECY LAW DEPT. GOVT OF MYSORE

To

C Narayanaswami Naidu, Esq , B A , B L
Secretary to Government, Law Department
Bangalore
CITY

Sir

1029

In continuation of this Office letter No A6-C 1515/40-41, dated the 16th August 1941 intimating that Krishna Murthi Municipal Clerk, Harihar, was tried by the Sessions Judge, Shimoga, on a charge of embezzlement of Municipal Funds, as convicted and sentenced to undergo rigorous imprisonment for a period of three months, and that he would be dismissed from service, I have the honour to enclose herein a copy of letter No 296/ A D, dated 22nd December, 1942 received from the Comptroller to Government pointing out certain defects noticed during the course of the audit of the accounts of the Municipality for the year 1939-40 and 40-41 and a copy of the detailed report received from the President of Harihar Municipal Council, explaining the objections in order and requesting that the objections raised may kindly be waived in the light of the explanation offered

A reference was therefore made to the Comptroller in this Office letter No A C C 9/42-43, dated the 20th March 1943 requesting the waiver of the objections under the circumstances explained In reply, the Assistant Comptroller, Local Audit Circle, Shimoga, in his letter No 107/SLAC, dated 23-7-1943 (copy enclosed for ready reference), has requested that the loss of the receipt book No 2191 of I A I which could not be traced in spite of thorough search, and that too sums of Rs 5-9-0 and Rs 10/- which represent the amount priated by the Ex-municipal Clerk (Accused Krishna Murthy) b

but recovered from his arrears of pay of Rs 51 0-0 paid to him on 15-1-1942, after he was discharged from service and convicted, may be reported to Government for final orders

In view of the fact that the amount misappropriated by the ten Clerk has been completely recovered and credited to Municipal Funds and that he was convicted sentenced to three months rigorous imprisonment and eventualy dismissed from service request that the reasons given by the President in his report of 8th March 1943 may kindly be accepted and the objections raised by the Comptroller in his letter No 296/L A D, dated 22-12-1942 may kindly be waived

I have the honour to be
Sir
Your most obedient servant

For Deputy Commissioner,
Cuttalurug District

Letter No 296/C LAL, dated 22nd December, 1942, from the Comptroller to Government of Mysore, Bangalore, to the Deputy Commissioner, Chitaldrug District, Chitaldrug

Re misappropriation of Rs 166-15-0 in the Hiriyurahatty Minor Municipal Council in the year 1940 - 41

I have the honour to state that during the course of audit of the accounts of the Municipality for the years 39-40 and 40-41, it was noticed by the Local Auditors that one M Krishna Murthy Rao, Municipal Clerk, who has misappropriated amounts in the Municipality has been dismissed from service in accordance with your orders communicated to the President in your Memo No A6 15 3 of 40-41 dated 29-10-1941 on his being convicted and sentenced to 3 months rigorous imprisonment, the connected records were not made available for audit by the President, I request you to kindly intimate the extent of misappropriation and the action taken to recover the amount A copy of the report sent to Government according to para 16 M A Manual may also be kindly sent

2 The following defects which were noticed during the audit may also be kindly enquired into and a reply furnished -

a) The Official was allowed to receive money in the office and issue receipts under his own signature contrary to Rules 323(1) and 327 of the Municipal Accounts Manual

b) A sum of Rs 5-9-0 representing the octroi duty collected by the clerk from 30-11-40 to 2-12-40 and another sum of Rs 10/- being the sub-imprest given to him for meeting the Board feeding charges were not properly accounted for by him and were adjusted out of his arrears of pay drawn and disbursed to him on 15-1-42 after he was removed from service

c) Against a sum of Rs 30/- due to Mr Abdul Samad Sab, contractor, for avenue pits, a sum of Rs 21/- was paid to him on 5-10-39 in voucher No 11(5) Out of a sum of Rs 24/- drawn on self Cheque No 15/- dated 5-10-39 after deducting 10% of the amount (i e, Rs 3) as ordered by the President and the balance of Rs 9/- was paid to him on 31-1-40 leaving no further balance due to him But the balance of Rs 3/- deducted under the orders of the President was kept on in the petty cash book till 29-6-40 for a period of nearly 8 months without crediting it back to Municipal funds and it was paid to the contractor on 29-6-40 while no balance was due to him

d) Out of a sum of Rs 135/- representing 3 months rent deposited by Mr G L Ekantappa and taken to the petty cash book on 14-6-40, a sum of Rs 11-2-8 has been charged off in the petty cash book as being the excess amount refunded to the contractor by inserting an entry in the petty cash book between the transactions already recorded The payment was not supported by a voucher The balance of Rs 120-13-4 was however credited to the Municipal funds after a delay of about 2½ months

e) A sum of Rs 75/- representing the earnest money deposited on the several dates as detailed in the margin and taken to the petty cash book have been charged off as refunded on 30-9-40 and the refund vouchers were not produced for audit It may also be mentioned in this connection that cheques Nos 5 and 60 of Book No.1207 for Rs 25/- and Rs 50/- were drawn in favour of Messrs Honnappa Setty

Receipt No	Date	Date of Deposit	Amount
41/2190	18-4-40	Mr K I Thippeswamy	25-0-0
42/ "		Mr Honnappa Setty	25-0-0
43/ "		Mr K I Thippeswamy	25-0-0
			75-0-0

o[illegible]rappa Sett[illegible] and [illegible] T[illegible]ppes a[illegible] respectively b[illegible] t[illegible] Presid[illegible] on 7-12-[illegible]0 [illegible]re subsequently cancelled [illegible]tho[illegible]t assig[illegible]ning an[illegible] reco[illegible] If the a[illegible]carts in qu[illegible]stio[illegible] were re[illegible]rned on 30-9-40, there [illegible]as no reason [illegible] [illegible]aims had to be [illegible]lain subsequent to this date.

f) Receipt Boo[illegible] o[illegible]191 of [illegible]A[illegible]. 20 which was in stoc[illegible] on 27-3 (vide page 53 of the stoc[illegible] register) and shown to have been iss[illegible]ed by the e[illegible]-clerk [illegible]f to himself on 12-8-40 after inserting an entry in the stock register between the transactions already recorded in missing and was not produced for audit. This boo[illegible] was presu[illegible]bl[illegible] used by the clerk in March 40 for collection of [illegible]o[illegible]ld rent on the occasio[illegible] of the [illegible]atra of Sri T[illegible]pp[illegible]s an[illegible] without an iss[illegible]e being s[illegible] in the stoc[illegible] register in that [illegible]ort[illegible]

"COPY"

For Deputy Commissioner
Chitaldrug District

nicipal
to District

In obedience to your kind memo No A O C 9/42-43, dated 29-12-42, I beg to state as follows -

1) The clerk of the Kayakanamatty Municipal Office who was working in the year 1940-41, had misappropriated Rs 166-15-0 only and as soon as this was found out the clerk, Krishna Murthy Rao prayed for permission 24 hours to pay the amount, then he ran away subsequently from the place without giving the amount and after some days he sent the money by money order as noted below and the same was credited to Treasury as shown against each item noted belo

16-12-40	Rs 95-8-0	Hence the amount misappropriated
26-12-40	Rs 50-0-0	by him was recovered and credited to
31-12-40	Rs 21-0-0	the Treasury ~~xxxxxx~~ Secondly it
	---------	has been observed that the official

was allowed to receive money in the Office and issue receipts under his own signature contrary to rules 323(1) and 327 of ~~A T~~ This is a poor Municipality having a normal income of Rs 3,017 and ever since the Municipality was formed the clerk was allowed to both the works of collecting municipal dues and writing accounts, but recently a report was submitted to the Deputy Commissioner for the appointment of a Bill-collector to collect the arrears of this Municipality The Deputy Commissioner was pleased to appoint a Bill collector temporarily for a period of six months (vide Deputy Commissioner's order No SD C 500/42-43 dated 1-9-42) now the Bill-collector is working

Thirdly it is observed that a sum of Rs 5-9-0 representing the octroi duty collected by the clerk from 30-11-40 to 2-12-40 and another sum of Rs 10-0-0 being the sub Imprest given to him for meeting the pound feeding charges were not properly accounted for and were adjusted out of his arrears of pay drawn and disbursed to him on 15-1-43 after he was removed from service In this connection, I beg to state that I have mentioned in para I above that the clerk ran away subsequently without giving Rs.166-15-0 Besides this amount, he attended to collection work from the date of finding out this misappropriation to the date of running away from the village There are octroi receipts and this amount was recovered from him pay at the time of disbursement and adjusted As regards the feeding charges of Rs 10/-, the amount was given to the clerk as imprest as he was also the pound keeper At the time of disbursement of his pay he was instructed to account for the amount and he stated that as he is totaly responsible for that amount, he is ready to pay it Hence Rs 10/- was recovered and credited to the treasury There is no leakage of any amount in this respect

Fourthly Rs 3/- paid in excess to Abdul Samad Sait is recovered and credited to the Municipal Funds on 8-3-43

Fifthly As regards the voucher for Rs 14-2-8 the party Mr G Ekanthappa was stated that he had given a voucher for having received the amount and that no amount is due from him

Sixthly, The delay of 2½ months in crediting **Rs.120-13-4 due to the fact** that the general tendency of the clerk was to delay remittance and he had formed it a habit I took charge of the Municipal Council as President on 3-9-40 and I was posted here in the first instance in the leave vacancy of Mr A Abdul Aziz for a period of 2 months However/the amount was credited to the Treasury and as the clerk suffered as imprisonment and was dismissed from service, this objection may kindly be recommended to be dropped

Seventhly, it is stated that there are no vouchers for Rs 95/- and Rs 50/- Though the vouchers are missing the concerned parties have stated thay have received the amount and paid the vouchers Why the cheques were written was, the father of Mr Thippe Ary and the father of Mr Monnappa who were respectable person of the place repre

sented

represented that the amount was not drawn I believed them and wrote the cheque But I felt some doubt and kept back the issues Then when I returned to Nayakanahatty and sent for the persons themselves, they stated that they received the amount and given vouchers, on hearing that, the cheques were cancelled Hence in these circumstances this objection may kindly be recommended to be dropped

Eighthly, Receipt Book No 2191 was not found in the Office though a regular search was made and the clerk also did not produced it In view of the severe punishment given to him even this objection may kindly be ordered to be dropped

Lastly, I beg to state, that at the time of my taking charge, the affairs of the Municipality were in confused state there was no petty in this Municipality, there were heavy arrears Clerk was the Bill-collector and pound keeper and more than all he was haughty, indifferent, insubordinate and was always evading giving answers to questions put to him and evading to sho the accounts In the previous inspection notes, it was observed by checking officers that there is confusion and choas in the Municipal accounts Ever since I took charg I have tried by best to see that everything is brought up to date I have personally attended to the preparation of Bahipatti for eight days and I prepared it The Bill-collector is appointed now Orders have been received for crediting Municipal amount to the Treasury 4 times in a month There is an iron safe provided in the office to keep the amount collected so that it should not be taken to the house of the clerk In view of all these, Deputy Commissioner has been pleased to observe that "there has been general improvement in the collection of Municipal revenue" (vide inspection Notes Dated 27-3-42) Hence I beg to request that the objection raised may kindly be recommended to be dropped

"COPY"

For Deputy Commissioner,
Chitaldrug District

SPL

Letter No 107/SLAC, Dated, 23rd July, 1943, from the Assistant Controller, Local Audit Circle, Shimoga, to the Deputy Commissioner, Chitaldrug District, Chitaldrug

With reference to your letter No A O C 9/12-43, dated 6-4-43, forwarding a report of the President, Harihara Atta Municipality, regarding the misappropriation of a sum of Rs 166-15-0 in the Municipali I have the honour to state as follows -

1. Para 1 of the report of the President, Necessary instruction may kindly be given to the President to arrange to issue the office receipts under the signature of the Vice President as required by rules 323 (1) and 327 of I A I at least in future

2 Paras 5 and 8 of the report - Two sums of Rs 5-9-0 and Rs 10/- represent the amount misapropriated by the E-Municipal Clerk but recovered from his arrears of pay of Rs 51-10-0 paid to him on 15-1-42 after he was discharged from service and convicted

Receipt Book No 2191 of 1941 20 could not be traced inspite of a thorough search These points may be reported to Government for their final orders

29/35
Exp F
16/2
Invoice No 1023
Voucher No 30/1946

3 As stated in para 4 of your letter No A6 C 1513/40-41 dated 8-12-40 addressed to the Secretary to Government, Law Department a further and final report has to be sent to Government for final orders in the matter

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"COPY"

For Deputy Commissioner,
Chitaldrug District

G R S

Diary No of letter replied to 2071/2

General and Revenue Secretariat

the *194*

Date of issue 26/11 194

Signed by

(ii) treated as a Standing Order ?

(iii) published in the Gazette English Part ?

(iv) translated ?

(v) placed at the disposal of the Press ?

(iv) published in the Gazette Kannada Part ?

Section Rev

File No 24-43

Serial No 10

Proceedings of the Government of His Highness the Maharaja of Mysore.

Read— Letter No. A.C.C 9/42-43 dated 26th September 1943 from the Dy Comptr, Chitaldrug requesting orders of Govt whether the objections raised by the Comptroller in his audit of accounts of the Municipality for the years 1939-40 and 1940-41 ~~Order thereon—No~~ relating to the embezzlement by the Municipal Clerk, Krishna Murthy to the extent of Rs 166/15- which was recovered from him and credited to Municipal funds, and the Special Tribunal eventually convicted, sentenced and dismissed him from service, in the circumstances

2. WO note no 384/Spl dated 4.11.43 from the Comptroller in the matter.

Order 5503-4 Q

2 Govt are constrained to observe that the loss of the Receipt Book is a serious irregularity and should not have been allowed to occur

They are however pleased in the circumstances stated by the D.C. Chitg 15, to waive the objection as a special case

Sec to Govt
Law Dept

To the D.C. Chitg 15
" Comptroller to Govt

In the light
The receipts b
by the Presid
the Bank and
and of the c
stated by the D.C
D&W the Dy
not relating to the
receipt Book no
are
a special

List of Enclosures

Copied by

Examined by

WD 04162—GPB—60 000—23-10-41

PROCEEDINGS OF THE GOVERNMENT OF HIS HIGHNESS
THE MAHARAJA OF MYSORE

R e a d

Letter No.A.C.C.9/42-43 dated 26th September 1943 from the Deputy Commissioner, Chitaldrug District, requesting in the circumstances stated orders of Government for waiving certain objections raised by the Comptroller in the audit of the accounts of the Naikanahatti Minor Municipality for the year 1939-40 and 1940-41 in connection with the embezzlement of Municipal Funds by the Municipal Clerk, Krishna Murthi, to the extent of Rs.166/15/- which was subsequently recovered from him and credited to Municipal Funds, the official having been eventually convicted, sentenced, and dismissed from service.

2. Unofficial Note No.384/Spl. dated 4th November 1943 from the Comptroller in the matter.

Order No. L 6508-4/Jud 24-43-10

Dated, Bangalore the 24 November 1943.

In the light of the replies furnished by the President of the Naikanahatti Minor Municipal Council and the circumstances stated by the Deputy Commissioner, Chitaldrug District, the objections including that relating to the loss of receipt book No.2191 are waived as a special case.

2. Government are constrained to observe that the loss of the receipt book is a serious irregularity and should not have been allowed to occur.

For Secretary to Government,
Law Department.

To

The Deputy Commissioner Chitaldrug District
The Comptroller to the Government of Mysore